



CALPEEK

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MORGAN'S RESIGNATION CATCHES INSIDERS OFF GUARD AND SENDS DEMOS & GOP SCRAMBLING...

The resignation of CA State Sen. Becky Morgan (R-Los Altos Hills) caught all insiders, including Gov. Pete Wilson, with their pants down. Morgan's last day in the legislature will be Aug. 17th, one day after lawmakers return from their summer recess...

...Insiders, especially GOP consultants, believe that Morgan's resignation had *extra special meaning* for the governor. Some consultants said Morgan's resignation at this time amounted to sending Gov. Pete a "**digital salute**" for his actions earlier this year when he bypassed Morgan to fill the unexpired term of Bill Honig. Morgan supporters think the legislature would have confirmed her as Supt. of Public Instruction. Instead, Wilson appointed Morgan's colleague, Marian Bergeson, who was rejected by the State Assembly. Lots of bitterness here...

...Morgan's plans are very solid. She'll become the CEO of a new nonprofit outfit called Joint Venture: Silicon Valley, which will promote the regional economy...

...So now the question becomes who will file to replace Morgan as the new State Senator in the 11th District?? The 11th S.D. has a 45.87% Demo vs. 38.42% GOP registration. A number of names have surfaced, but the **person to watch** is former Congressman Tom Campbell (R-Palo Alto). He represented this area in congress and would be a natural. He's a policy-driven individual and the State Senate may be more suited to his long range goals rather than State Treasurer. GOP fatcats from the area are urging him to run and sources close to Campbell say he's giving it serious consideration. GOP Assemblyman Chuck Quackenbush of San Jose and Palo Alto Councilman Gary Fazzino also have been mentioned as possible GOP candidates. San Mateo Co. Sup. Tom Huening says he's not interested. On the

Demo side, the name heard most often is Assemblyman Byron Sher of Redwood City. Another Demo name making the "rumor" list is Santa Clara Co. Sup. Dianne McKenna --- wife of Silicon Valley PR whiz Regis McKenna...

...Bottomline: Most CALPEEK sources think this special belongs to Tom Campbell **if he runs**. Sher would be little more than a human sacrifice against the former congressman. However, if Campbell passes this up in order to run Statewide, then the special becomes wide open. The primary is set Nov. 2nd. Stay tuned...

PART 2: CALPEEK'S EARLY LINEUP FOR 1994.

Editor's note: Here is Part II of our preview of the 1994 June primary for both major political parties. This week: U.S. Senate; Lt. Governor and Treasurer...

● **U.S. Senate** - The big question in 1994 is how many Republican congressmen will give up their safe seats for a chance to run against incumbent Demo U.S. Sen. Dianne Feinstein??? So far, the answer seems to be two: U.S. Rep. Chris Cox of Orange Co. and probably freshman U.S. Rep. Michael Huffington of Santa Barbara --- the multi-millionaire who defeated Robert Lagomarsino in a very bitter 1992 primary, using a personal war chest of \$2-3 million. If you're wondering about U.S. Rep. David Dreier of Covina, forget it. He won't run. Neither will U.S. Rep. Bob Dornan of Orange Co. However, former Congressman Bill Dannemeyer of Orange Co. says he's in the race. FYI: Cox plans to begin his fundraising drive with a major event in Orange Co. on July 31. Special guest will be CRP Chair Tirso Del Junco. A formal Cox announcement is due in the near future...

● **Lt. Governor** - With incumbent Demo Leo McCarthy calling it a career, you'd think more candidates

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would be running for this office. On the GOP side, the most recent round of the Sacto corruption probe forced State Sen. Frank Hill(R) to drop out of this race. Hill was very serious about running for LG and few other GOP candidates had surfaced. But with Hill under indictment, we're now hearing sounds from State Senate GOP Caucus Chair Bill Leonard of Upland and State Sen. Cathie Wright of Simi Valley. Former Silicon Valley Congressman Ed Zschau's name also surfaced, but he's committed to Big Blue(IBM) and won't run...

...But it's the Demos that have insiders buzzing. At this point, there are two very solid Demos in this race: incumbent Controller Gray Davis and former CA Demo Party Chair Phil Angelides of Sacto. Some Demo insiders would love to see Angelides run for controller or treasurer --- anything to avoid this confrontation with Davis. Although early polls don't mean much at this stage, Davis commissioned a poll by Fairbank, Maslin & Maullin which had Davis leading the former CDP chairman by 56 points --- 63% to 7%. That huge lead is based almost entirely on name ID. In terms of money, Davis and Angelides are two of the best fundraisers in politics. A question frequently asked is why Davis would want to run for LG --- knowing that it is one of those offices with very little power or responsibility. Two answers: the first is **term limits** and the second is that Davis sees **untapped potential** in this office and it presents him with a **new challenge**. Or put another way, he's bored being controller...

- **Treasurer** - The late Jesse Unruh turned this office into a fundraising machine and really put some clout into the office. Incumbent Demo Kathleen Brown would be a slam dunk for reelection, but she's giving up her post to run for governor...

...At this point, the situation for treasurer is *somewhat unclear*. On the GOP side, the two most frequently mentioned candidates for this office are BOE member Matt Fong and former Congressman Tom Campbell of Palo Alto. Some CALPEEK sources have speculated that Campbell's presence may have forced Angelides(D) to reconsider this race --- which is why he's now in the LG's race. But with Campbell perhaps going for the 11th S.D. job of Becky Morgan, Demos such as Angelides might again reconsider. The only other Demo whose name has surfaced for this office is Senate President Pro Tem David Roberti, who can't seek

another term in the 20th S.D. because of term limits. More next week. Stay tuned...

4th S.D. SPECIAL UPDATE: THE FIELD IS ALMOST SET FOR THIS BATTLE TO REPLACE THOMPSON.

Editor's note: Filing for the 4th Senate District special election closes Monday, July 19th. Here is CALPEEK's update on this special to replace State Sen. Mike Thompson(D), who now represents the neighboring 2nd S.D....

...Poli-sci professors would probably tell you that the 4th S.D. is a *competitive district* if you consider the 46%(D) vs. 39%(R) registration. But most political pros consider this 8-county district to lean Republican unless the Demos nominate a true moderate who can attract GOP voters. In other words, the Demos need a clone of Thompson in order to have a fairly good shot against either of the two frontrunning Republicans, former Assemblywoman Bev Hansen or Shasta Co. Sup. Maurice Johannessen...

...And as CALPEEK went to press, most sources doubt that the Demos will attract the kind of candidate needed to beat the Republicans. Dennis Chuning is in the race and so is CDP Rural Caucus Chair Montana Podva of Arbuckle in Colusa Co. But Santa Rosa attorney Rick Meechan told CALPEEK that he has decided not to run in this special --- and there are those who believe that Bill Brashears won't make the run either. Chuning was an unsuccessful legislative candidate some years ago. Podva is an attorney and he has signed consultant Luke Breit to run his campaign. These candidates are NOT Demo super stars and under Prop. 73 rules they may have a tough time building a credible warchest to defeat either Hansen or Johannessen...

...On the GOP side, most insiders tend to give a very slight edge to Hansen, but that's based primarily on her name ID. Nevertheless, there are some who think that if Johannessen gets a break or two, he could pull an upset. So far, no luck, but that could change. On the plus side for Johannessen is the fact that one of the more powerful conservative political fundraisers in Calif. is supporting his candidacy --- State Sen. Rob Hurtt(R-Orange Co.). One CALPEEK source thinks that Hurtt and his Allied Business PAC friends may dump 6-figures into Johannessen's campaign via an *independent expenditure*. Stay tuned...

**CALPEEK MEASURE UPDATE: LEGISLATORS
BATTLE OVER ADDING AB 215 TO NOV. 2 BALLOT.**

As CALPEEK hit deadline, there were six(6) measures slated for the Nov. 2nd special Calif. ballot --- but insiders had expected seven(7) items. The hang up is AB 215, a bill to reauthorize the sale of \$185 million in bonds for first time homebuyers. The author is Demo Assembly Speaker Willie Brown and the principle co-author is GOP Assembly Leader Jim Brulte. Originally, this bond measure was slated for the June 1994 ballot, but with pressure from real estate interests, Brown, Brulte et al decided to push for inclusion on the Nov. 2nd ballot...

...Enter Assemblyman Richard Mountjoy(R-Arcadia), who got up on the Assembly Floor July 13 and urged his GOP colleagues to "stop the rush" to put this item on the Nov. 2 ballot. AB 215 needed a 2/3rds vote, but only got 45 YES votes. So the slam dunk was blown. The realtors are furious and vow to get even with Mountjoy, CALPEEK sources say...

...So the Nov. 2nd ballot will start with proposition number **168** and will end with **173** (174 if AB 215 gets on the ballot). As CALPEEK hit deadline, there was a move underway to make SCA 1 -- to extend the 1/2 cent sales tax --- the first item on the ballot. Normally, **legislative bonds** go on the ballot first, followed by legislative constitutional amendments, followed by legislative statutes, followed by initiatives and referendums. Legislative measures go on the ballot in the order in which they were *chaptered*...

...Assuming SCA 1 is moved to the first position on the ballot, here's the way the ballot will look, with numbers: SCA 1 - **#168**; SCA 17 - **#169**; SCA 32 - **#170**; ACA 6 - **#171**; ACA 41 - **#172**; and the school voucher initiative - **#173**. Stay tuned...

NATIONAL CONFERENCE OF STATE LEGISLATURES.

The Nat'l Conf. of State Legislatures will hold its 1993 annual meeting July 24-29 in San Diego. The meeting will be held at the San Diego Convention Center, with some sessions at the Hyatt Regency and Marriott Hotels. The NCSL is pumping out at least 1 news release per day, hyping various topics and panel discussions that will take place. For info (202)624-5400...

**IS THERE MORE TO THIS BATTLE BETWEEN CRP's
DEL JUNCO & SAM BAMIEH THAN MEETS THE EYE??**

CRP Chair Tirso del Junco and former CRP Finance Chair Sam Bamieh continue to trade punches with one another (mostly via letters from their attorneys) in what has become an open embarrassment for the Calif. Republican Party. One GOP source (who isn't pleased with either man) described the fighting between these two as "The Battle of the Super Egos." *But some CALPEEK sources say there's much more to this story than just a battle between these two...*

...Bamieh has now written two letters to CRP Central Committee members that are highly critical of Tirso and his management of the party and some sources believe Bamieh plans to send out **more negative stuff** about Tirso in the near future...

...Over the weekend of July 17, CRP County Central Cmt. Chairs and executive directors were to have met in Sacramento with Tirso to talk about the Bamieh situation and to discuss **CRP finances**. Sources say Bamieh was **not** invited to this meeting. In the meantime, sources are predicting that del Junco could have a tough time at the CRP's upcoming convention in Anaheim, planned for mid September. Although sources think it is unlikely he'd be recalled, it's possible that delegates could issue a "no confidence" vote. FYI: the CRP plans a \$1 million fundraiser with former Pres. Ronald Reagan on Sept. 14th. Stay tuned...

CALPEEK'S 1993 ELECTION CALENDAR

Editor's note: Here's a short election calendar to help you keep track of all the specials, runoffs and other elections...

- **July 27** - 5th A.D. special runoff election...
- **Aug. 3** - Monterey Co. supes runoff election...
- **Aug. 10** - Bellflower card club special election...
- **Aug. 31** - 4th S.D. & 27th A.D. special election...
- **Sept. 21** - San Diego Council elections...

- **Nov. 2** - Statewide Special Election: Props. 168 to 173; San Francisco City Attorney & Treasurer election; San Diego council runoffs; 4th S.D. & 27th A.D. special runoff elections; and 11th S.D. special primary...

DOG DAYS OF SUMMER: POLITICAL SHORT TAKES.

Editor's note: Here are a few political items worth noting...

● **The Hot Topic of Summer** - There's just no doubt that **immigration reform** continues to be the hottest political item this summer. When U.S. AG Janet Reno visited Calif. about 10 days ago, she spent lots of time answering questions about this topic. And a recent NY Times/CBS Poll indicates that 61% of those questioned feel immigration should be kept at its present level or decreased. A similar question in 1986 brought a 49% YES response. And the Federation of Americans for Immigration Reform (FAIR) has taken to the radio airwaves with paid ads and an 800 phone number (1-800-395-0890). FAIR is calling for a moratorium on **all** immigration. And there's very little doubt that CA U.S. Sen. Dianne Feinstein (D) has hit a homer with her efforts to bring immigration reform back to the front burner --- on high heat...

● **Tax Revolt Still Alive** - Tuesday, July 13th, a date which will live in infamy, voters in the City of Covina suddenly and deliberately recalled the **entire** city council by 2-to-1 margin (with a very high 32% voter turnout). Why? The council voted last year to impose a **6% utility tax** to close a \$2.3 million budget deficit. Recall victims included Mayor Henry Morgan and Councilmembers John King, Christopher Lancaster, Frieda Richardson and Richard Gratton. This was a "Send Them A Message" vote that not only has implications at the local level, but also at the State and Federal level. FYI: small business and pro-environmental groups joined forces to back the recall. And they got a 2-for-1 hit: Morgan was knocked off the council and the AQMD board as well...

● **Smoking Wars** - Restaurant and hospitality forces are paying petition consultant Mike Arno to gather signatures for a referendum on L.A. City Councilman Marvin Braude's new law to **ban smoking** in L.A. City restaurants. The "ban the bar" forces need 58,275 valid signatures to qualify. That means they really need about 100,000 names. They have until July 24th. The city clerk will turn over the petitions to the L.A. Co. Registrar for verification. Aug. 6th is the deadline for verification if the measure is to make the Nov. 2nd ballot. Braude is gearing up for WAR...

● **Politically Savvy** - Did you see that recent front-page photo in L.A. Times with Nelson Mandela, L.A. Mayor Richard Riordan and U.S. Rep. Maxine Waters (D)? Is there any doubt now, L.A. Councilman Mark Ridley-Thomas, as to who is the most **influential** African-American politician in L.A.??? There shouldn't be. And L.A. City Hall sources tell CALPEEK that Ridley-Thomas' recent remarks bashing Mayor Richard Riordan over key appointments has probably cost the councilman his job on the MTA Board. Bottomline is a political lesson which Ridley-Thomas has just learned: *you can't turn in losing tickets at the winner's window*...

NEW JOBS, ADDRESSES AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Sacto-based campaign consultant Wayne Johnson has been named national winner for the 3rd year in a row in the Silver Microphone Annual Awards competition for radio advertisers...

● S.F. based The PBN Co. and Las Vegas based R&R Advertising have formed an alliance, with each company buying a minority interest in the other firm. In addition, the two firms (under a joint venture agreement) have opened an office in Washington D.C. The PBN Co. has offices in S.F., Sacto and L.A., while R&R has offices in Las Vegas, Reno & Salt Lake City. Combined staff is about 125...

● In case you missed the news, CA Finance Director Tom Hayes has resigned to become managing director of Metropolitan West Services. Hayes has been replaced by Russell Gould, who was deputy finance director under Gov. Deukmejian...

● The CA Demo Party's new L.A. office is at 8440 Santa Monica Blvd., L.A. 90069. New phone is (213)848-3700...

● CALPEEK sources report that Sueon Cotner has joined the Demo LG campaign of Phil Angelides as his finance/fundraising director. Cotner used to work for Barbara Boxer...

● So whatever happened to former L.A. Co. DA Ira Reiner? He's been made a partner in the Century City law firm of Phillips, Nizer, Benjamin, Krim & Riley...